

No. 9

# PROPERTY IN LAND

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(*Reprinted from*  
*"Elementary Politics," by Mr. THOMAS RALEIGH, M.A.,*  
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Economically speaking, there is little, if any, essential difference between property in land and property in capital. This point is so frequently misunderstood that it may be well to enumerate the reasons commonly given for making a distinction between these two kinds of property.

First, it is said that nature made land, while man makes capital. The fact is that **nature and man make both**. Man takes from nature so much raw material ; he compels the forces of nature to co-operate with his skill. The result is represented by settled and cultivated land, and by those other products of industry which we call capital.

Secondly, it is said that nature, or God, intended the land to be common to all who live on it. To say this of nature is absurd, for nature means only what exists ; common property and private property are equally natural, for both exist. As for God's intentions, we have no right to dogmatise. God has not given us a land system ; we may presume He means us to do whatever is most just and reasonable.

Third, it is said that land is the necessary basis of all industry, and therefore we ought not to allow exclusive rights to be acquired in it. This argument applies to capital just as forcibly as to land ; in a civilised country one is as necessary to industry as the other. Give a labouring man ten acres of land and nothing else, and he will probably

die of want. If he may claim to have the use of land because it is necessary, he may claim the use of capital on the same plea.

Fourth, it is said that land is limited in quantity, whereas other kinds of wealth may be indefinitely increased. There is a measure of truth in this statement, but it is also to some extent misleading. For if you take the population of a given country at a given time, and compare their relation to land with their relation to capital, you find that the two relations are essentially alike. Capital may be increased, but at any given time it is a limited quantity, not more than sufficient for the needs of the people. And therefore the possession of capital involves monopoly to the same extent as the possession of land. The capitalist and the landowner both hold exclusive command of something without which the industry of their neighbours cannot be carried on.

Fifth, it is said that ownership of land enables a man to make an excessive gain without taking part in the work of the community. The value of his land increases steadily with the progress of the community: an advantage which he shares with the owners of certain other kinds of property, as for instance bank stock. The annual return which he obtains for the use of his land is also constantly increasing: and the advantage is peculiar to land. But it must be observed that when land becomes private property it becomes also a subject of commerce. The vast majority of owners of land are purchasers and successors of purchasers who have secured the special advantages of this kind of property only by paying a high price for it. The greater number of English estates have been sold and bought once at least within the last fifty years. Each new purchaser has paid from 25 to 40 years' purchase of the rental, taking his chance of agricultural depression and other causes which may reduce the rental, taking his chance also of the profit he may make if his land is wanted for building or other industrial purposes.

On the whole, I see no economical reason to distinguish property in land from property in other things.